

**EXHIBIT 1**

TELEPHONIC DEPOSITION OF STEVEN BENISON, 10-14-03

1           IN THE UNITED STATES DISTRICT COURT  
2  
3           FOR THE EASTERN DISTRICT OF PENNSYLVANIA

4       MLEA, INC.,                           CIVIL ACTION  
5       Plaintiff

6  
7       vs.

8       ATLANTIC RECYCLED RUBBER  
9       INC., RECOVERY TECHNOLOGIES  
10      GROUP INC., AND CASELLA  
11      WASTE SYSTEMS, INC.,

12                   Defendants           NO. 02-CV-4393

13  
14           Telephonic Deposition of  
15       STEVEN JOHN DAVID BENISON, taken at  
16       the law offices of Pepper Hamilton  
17       LLP, 3000 Two Logan Square, 18th and  
18       Arch Streets, Philadelphia,  
19       Pennsylvania, on Tuesday, October 14,  
20       2003, commencing at 9:38 a.m., before  
21       John M. Colasante, a Registered  
22       Professional Reporter and Notary  
23       Public.  
24

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20 Counsel for Non-Party Steve

Benison

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24

1 A. Yes, in Nova Scotia.

2 Q. What was the name of your  
3 business?

4 A. Benison's Garage.

5 Q. And what was the nature of  
6 that business?

7 A. Automotive repair.

8 Q. How long did you remain in  
9 that business?

10 A. Well, I held on to that  
11 business for 22 years, but I -- in  
12 the -- in that time slot I also  
13 started several other businesses as  
14 well that are -- that were still  
15 running at that time.

16 Q. What other businesses did  
17 you start in that same time?

18 A. A limestone operation, a  
19 limestone spreading surface  
20 operation, a trucking operation. And  
21 in 1994, I started Atlantic Recycled  
22 Rubber.

23 Q. What was the name of the  
24 limestone spreading company?

1 A. Atlantic Lime Spreading.

2 Q. And the trucking operation,  
3 what was that name?

4 A. Atlantic Trucking.

5 Q. And in 1994 you said you  
6 started --

7 A. Atlantic Recycled Rubber.

8 Q. Was that started as a  
9 corporation?

10 A. No. It was incorporated  
11 in -- two years later.

12 Q. In 1996, right?

13 A. Yes.

14 Q. And was that a publicly or  
15 privately owned company?

16 A. Private.

17 Q. Who were the shareholders,  
18 if you remember?

19 A. Myself.

20 Q. Just you?

21 A. Just myself, yes.

22 Q. Who were the officers?

23 A. There wasn't any officers,  
24 other than my accountant -- or my

1 letter before today?

2 A. Yes, I've seen it.

3 Q. But you don't know who  
4 signed it on your behalf?

5 A. I don't know.

6 Q. You were speaking earlier  
7 about the corporate structure  
8 regarding RTG group and so on. I  
9 just want to go back over that for a  
10 second.

11 The way I understand it is,  
12 you explained ARR was the subsidiary  
13 of Recovery Technologies Incorporated  
14 Canada, which was a subsidiary of  
15 Recovery Technologies Group. Is that  
16 correct?

17 A. Yes.

18 Q. Where does KTI of Canada  
19 fit in there? KTI recycling of  
20 Canada, I'm sorry.

21 A. I'm not positive where it  
22 fits in. It was -- Marty Sergi's  
23 company was KTI, and he then was  
24 merged with Casella. And Marty Sergi

1 had purchased a tire recycling  
2 operation in Canada, which was  
3 Recovery Technologies Inc., in  
4 Cambridge. That's how the connection  
5 is there.

6 Now, what part of KTI still  
7 existed after its merger with  
8 Casella, I'm not aware of.

9 Q. Was your company, Atlantic  
10 Trucking and Lime Spreading Limited,  
11 purchased by KTI Recycling of Canada  
12 Incorporated?

13 A. This is the name on the  
14 document, yes.

15 Q. But you didn't know that  
16 until today?

17 A. Well, KTI didn't mean  
18 anything to me. It was Recovery  
19 Technologies Group that I was  
20 basically dealing with.

21 Q. During Mr. Katauskas'  
22 questions, he asked you if, besides  
23 yourself and George Timberlake, if  
24 any other person was looking for

1 this is Phil Katauskas, take a look  
2 at Exhibit 9.

3 A. Yes.

4 Q. That's the letter of  
5 January 18, 2001 where you direct  
6 that the equipment on those two  
7 purchase orders be delivered as soon  
8 as possible, right?

9 A. This is true, yes.

10 Q. Now, we noted that you were  
11 already well into that 20-to-24-week  
12 schedule that Recovery Technologies  
13 was hoping for in September of 2000,  
14 right?

15 A. Yes.

16 Q. You didn't expect Messer or  
17 EGS, did you, or any vendor, to  
18 deliver equipment to the site as soon  
19 as possible, with no expectation of  
20 getting paid if a lease was never  
21 signed, right?

22 A. No, that's correct. That's  
23 correct. We obviously realized we  
24 had to have a signed deal before



1 anybody was going to release that  
2 equipment.

3 Q. So when you signed the  
4 exhibit that is Benison Number 10 a  
5 day later, it was still your  
6 expectation that the equipment would  
7 be delivered as soon as possible,  
8 right?

9 A. Yes.

10 Q. The January 19th letter  
11 doesn't, in your mind, countermand  
12 your January 18th letter, does it?

13 A. No. We needed the, we  
14 needed the product. We had to get  
15 this plant either up and running as  
16 quickly as possible, and time was of  
17 a factor. Like I say, paying 17  
18 cents a pounds for liquid nitrogen  
19 was just not profitable at all.

20 MR. KATAUSKAS: I have no  
21 further questions. Thank you.

22 MR. O'RIORDAN: Thanks very  
23 much, sir.

24 EXAMINATION